



Control Number: 49737



Item Number: 197

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SOAH DOCKET NO. 473-19-6862
PUC DOCKET NO. 49737

APPLICATION OF SOUTHWESTERN §
ELECTRIC POWER COMPANY FOR §
CERTIFICATE OF CONVENIENCE §
AND NECESSITY AUTHORIZATION §
AND RELATED RELIEF FOR THE §
ACQUISITION OF WIND §
GENERATION FACILITIES §

BEFORE THE STATE OFFICE
OF
ADMINISTRATIVE HEARINGS

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**SOUTHWESTERN ELECTRIC POWER COMPANY'S RESPONSE TO TEXAS
INDUSTRIAL ENERGY CONSUMERS' ELEVENTH REQUEST FOR INFORMATION**

DECEMBER 16, 2019

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Files provided electronically on the PUC Interchange

TIEC_11_05_Attachment_1.xlsx

TIEC_11_06_Attachment_1.xlsx

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Question No. TIEC 11-1:

Please provide a copy of the manufacturer's warranty for the equipment to be installed at the Traverse, Maverick, and Sundance wind farms.

Response No. TIEC 11-1:

Please see Exhibit P-2 and Exhibit D of Substituted Highly Sensitive Confidential Exhibit JFG-3.

Prepared By: Joseph A. Karrasch

Prepared By: Edward J. Locigno

Sponsored By: Jay F. Godfrey

Title: Dir Renewable Energy Devlpmnt

Title: Regulatory Analysis & Case Mgr

Title: VP Energy Mktng & Renewables

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Question No. TIEC 11-2:

Referring to the Direct Testimony (Errata) of Johannes Pfeifenberger page 8, lines 9-11, please explain why the SPP PROMOD simulations were based on natural gas forecast prices of \$4.62/MMBTU in 2024 and \$5.44/MMBTU in 2029, but the SPP 2019 ITP prices shown in the "Updated Bletzacker Errata_Henry Hub Benchmarks KRB 8-19-2019" prices show \$4.25/MMBTU in 2024 and \$5.07/MMBTU in 2029.

Response No. TIEC 11-2:

Company's PROMOD simulations were based on the SPP-assumed delivered natural gas forecast prices of \$4.62/MMBTU in 2024 and \$5.44/MMBTU in 2029 used in the SPP 2019 ITP Assessment.

The SPP 2019 ITP gas prices shown in the "Updated Bletzacker Errata_Henry Hub Benchmarks KRB 8-19-2019", i.e., the prices of \$4.25/MMBTU in 2024 and \$5.07/MMBTU in 2029, are the prices at the Henry Hub location. These do not reflect locational gas price values (e.g. transportation costs).

Prepared by: Akarsh Sheilendranath

Title: Senior Associate, The Brattle Group

Sponsored by: Johannes P. Pfeifenberger

Title: Principal, The Brattle Group

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Question No. TIEC 11-3:

Referring to the response to TIEC 3-3(e), do the provided fuel prices for each plant include transportation costs? If so, please provide the commodity and transportation prices separately.

Response No. TIEC 11-3:

The information provided in TIEC 3-3(e) represents the fuel prices used in the SPP ITP model. For a unit that references one of these prices, it represents the delivered price which includes transportation costs. Aside from the Henry Hub values, which were provided in the original document provided in TIEC 3-3(e), the company lacks information about the component pieces of the delivered prices that were used in the SPP models.

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Title: Engineer Staff

Prepared by: Cecile Bourbonnais

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Question No. TIEC 11-4:

For each case of the Fundamentals Forecast that is presented in this proceeding, please provide all inputs to the Aurora model that were assumed in forecasting SPP Central market prices, including but not limited to the following:

- a. A list of existing (i.e., starting) generation capacity in the SPP region by fuel type, including the net capacity and assumed heat rate, costs, and constraints.
- b. Annual and monthly peak demand.
- c. Assumed inflation rate.

Response No. TIEC 11-4:

The information responsive to this request is CONFIDENTIAL under the terms of the Protective Order. The Confidential information is available for review at the Austin offices of American Electric Power Company (AEP), 400 West 15th Street, Suite 1520, Austin, Texas, 78701, (512) 481-4562, during normal business hours.

- a. & b. Attached please find TIEC_11_04_Confidential Attachment_1.
- c. Please refer to the filed workpapers of Karl R. Bletzacker; Fundamentals Forecast(s) Worksheet "GDP", column D titled "Inflation Index".

Prepared By: Connie S. Trecuzzi

Title: Economic Forecast Analyst Staff

Sponsored By: Karl R. Bletzacker

Title: Dir Fundamental Analysis

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Question No. TIEC 11-5:

Referring to SWEPCO's Response to TIEC 6-2:

- a. Please provide a list of generation capacity retirements in the SPP region determined by the Aurora model by year and by fuel type, including the net capacity and assumed heat rates of the retired units.
- b. Does the Aurora model inputs allow for planned retirements or planned additions or are all capacity changes an output of the model?
- c. Please provide a version of TIEC_6_02_Attachment_1 that breaks renewable capacity additions down between wind and solar separately.

Response No. TIEC 11-5:

- a. & c. Please refer to TIEC_11_05_Attachment_1, provided electronically on the PUC Interchange.
- b. The Aurora model allows for planned retirements (e.g. retirements upon reaching a certain age) and planned additions (e.g. units currently under construction). All other capacity changes are an output of the model (except the anticipated re-powering of wind facilities).

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Question No. TIEC 11-6:

Referring to SWEPCO's Response to TIEC 6-3, please provide a version of TIEC_06_03_Attachment_1 that breaks renewable capacity additions down between wind and solar separately.

Response No. TIEC 11-6:

Please refer to TIEC_11_06_Attachment_1, provided electronically on the PUC Interchange.

Prepared By: Connie S. Trecuzzi

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